

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2504 - SB 2502

February 2, 2010

SUMMARY OF BILL: Requires the Department of Health to implement a pilot program authorizing county clerks to issue certified copies of birth certificates.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Net Impact - \$30,000/Recurring

Increase State Expenditures - \$26,700/One-Time

Net Impact - \$185,400/Recurring

Increase Local Revenue –Exceeds \$100,000/Permissive

Increase Local Expenditures –Exceeds \$100,000/Permissive

Assumptions:

- The Department of Health estimates that approximately 40 county clerk locations in 19 counties will participate statewide.
- The number of birth certificates requested statewide will not change.
- The participating county clerk locations will use existing T-carrier computer line connections. It is estimated that there will not be a significant increase in expenditures for the county clerk locations to use these connections for data transfer purposes.
- Currently, the county health departments are able to issue birth certificates. According to the Department of Health, county clerk locations that participate in the pilot program will be held to the same information security standards that the local health departments are held which includes use of a dedicated printer and maintaining a secure location with limited access for the security paper and computer connections. Additionally, each health department must go through annual training and the birth certificate program is audited annually.
- The Department of Health will need an additional vital records field representative position to conduct initial and ongoing annual training as well as ongoing support for the county clerk locations that participate in the service.
- The Department will also require an information resource support specialist position to provide security set-up and ongoing support of the county clerks' connection to the Vital Records system.
- These positions are estimated to result in an increase in one-time expenditures of \$26,700 which includes costs for computers and printers (\$8,900), initial state vehicle cost (\$12,400), and office set-up (\$5,400).

- These positions are estimated to result in an increase in recurring expenditures of \$175,385 which includes salaries (\$91,332), benefits (\$31,053), administrative costs (\$15,800), communications and networking (\$3,000), office leasing (\$8,200), travel (\$24,800), and supplies (\$1,200).
- The Department will provide state security paper to the county clerks resulting in an increase in expenditures of \$10,000.
- The Department of Health will charge the county clerk locations participating in the pilot program for staff training and for auditing the facilities. It is estimated that each facility will be charged for 15 hours of work at a rate of \$50 per hour resulting in an increase in state revenue of \$30,000 (40 locations x 15 hours x \$50 per hour).
- County clerk locations will not participate unless they currently have sufficient personnel to meet program needs.
- Local governments who choose to participate will experience an increase in local revenue estimated to exceed \$100,000 for fees charged for issuing birth certificates.
- Local governments who choose to participate may experience an increase in local expenditures estimated to exceed \$100,000 for the cost of issuing certificates.
- State revenue and expenditures are dependent on the number of county clerks who elect to participate in the pilot program. Any increase in local government revenue collected from birth certificate issuance fees will result in a decrease in state revenue. There will also be a decrease in state expenditures for not issuing any birth certificates that will be issued by county clerks.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml